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EDIC/ID-12
Attachment

1. Construction of the following vessels for the USSR has been tentatively approved by the Japanese Government as a result of Russian-Japanese trade talks in January-February 1955:

Cargo	. . . 5	. . .	Nagasaki Shipyard	. . .	7,000 gross tons
"	. . . 3	. . .	Hitachi	"	. . . "
"	. . . 2	. . .	Nagoya	"	. . . "
"	. . . 2-3	. . .	Hakodate Dockyard	. . .	"

2. The Russian negotiators have asked for installation of gyro-compasses and radar aboard all of the aforementioned ships. The gyro-compasses will be either Sperry (E-1 Minor or Mk 14), or Anschutz.

3. The Russians also are contracting for repairs for several vessels.

4. The Japanese Government has stated that it will handle these ship construction and repair contracts as well as the installation of gyro and electronic equipment in the new ships in conformance with COCOM controls. Nevertheless, it is likely that the volume of these contracts will influence the Government to instruct the Japanese Delegate in COCOM to press for liberalized shipbuilding quotas when COCOM shipping control discussions resume.

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